



Home and Community Based Services Rent Subsidy Program

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Purpose of Program

- Provide a monthly rental assistance payment to eligible adults and children receiving services under Medicaid 1915(c) waiver **until such time that the recipient becomes eligible for any other local, state or federal rent subsidy**
- Assists Medicaid waiver eligible clients to live in the community instead of an institution

Program Rules

- Chapter 265—24 HCBS Rent Subsidy Program

Eligibility Requirements: HCBS Recipient

- Adult: Participant in 1 of 6 waivers
- Child: Person under 18 receiving residential-based supported community living services under Mental Retardation waiver (cannot live with parent or guardian)

Eligibility Requirements: Demonstrated Need

- Responsible for paying more than 30% of income for rent

Eligibility Requirements: Demonstrated Need

- Not receiving and are ineligible for other rental assistance
 - “Ineligible” means the person is not eligible, has been placed on the waiting list, or the waiting list is closed
 - Once a person is offered another rent subsidy, they are “eligible” and HCBS subsidy ends

HUD Section 8 Program

- In consumer's benefit to select an apartment initially that accepts Section 8 subsidy
- Eliminates the need to move once he/she becomes eligible for Section 8 voucher
- Reasonable accommodation: Can request extension in search time to find an apartment with needed accessibility features

Section 8 Ineligibility

- Examples:
 - Family's annual income exceeds income limit (income of entire household is counted)

Eligibility requirements: Risk of nursing facility placement

- Have insufficient funds to pay their community housing costs and that insufficient funds will cause them to enter a nursing facility
- Access to this rent subsidy is required so that they may live in a community living arrangement

Eligibility Requirements: Responsible for Rent

- Financially responsible for rent or housing costs

Submit Complete Application

1. Form 470-3302; original with signature
2. Estimated monthly income including evidence from the income sources
3. Evidence that applicant has applied for local rent subsidy and that the applicant is ineligible or placed on a waiting list

Types of application

- Initial
- Change
- Renewal



Renewal Guidance

- Rent Subsidy:
 - Notice from PHA that you have been placed on a waiting list with the approximate wait time provided
 - Call during annual renewal to determine if you (your family) remains on the waiting list. Note the answer, who you spoke to, date and time of call and attach to copy of wait list letter.
 - If you find you have been dropped from wait list, reapply for rent subsidy

Date of Application

- When IFA receives all 3 items, the date of application is established

Notification of Eligibility

- Within 25 business days
- Notified of **estimate** of benefit amount only
- Funds availability: Determined on **monthly payment calculation date**
- If funds are obligated, application will be denied and applicant will be placed on a waiting list

Estimate of benefit

Start with	Whichever is less; Actual rent OR $110\% \times \text{Fair Market Rent}$	To determine fair market rent for the county that the apartment is located: http://www.ifahome.com/docs/RAP/RAP_2005_FMR.pdf (based on # of bedrooms)
Divide by	Number of bedrooms	One bedroom or proportionate share of a rental unit with more than one bedroom*
This equals	$\text{Allowable rent} \div \text{number of bedrooms}$	The proportionate rent allowed for a single person
Multiply by	$\text{Proportionate rent} \times (\text{applicant} + \text{dependents})$	The applicant and dependent relatives**, if any
This equals	Adjusted proportionate rent	The adjusted proportionate rent allowed
Subtract	$\text{Gross monthly income} \times 30\%$	30% of the applicant's monthly income (contribution towards rent)
The remainder	Amount of rent subsidy	The monthly rent subsidy

Proportionate Share of Rental Unit

- Equal to one bedroom of a multi-bedroom rental unit
- Exception can be made for qualified dependent relative, as defined by the State Supplemental Assistance (SSA) program

Qualified Dependent Relative

- May be the applicant's spouse (who is not eligible for supplemental security income), parent or child
- Dependent relative must be both financially dependent on the applicant and living with the applicant

Example 1

- **Actual rent: \$700**
- $100\% \times \text{Fair Market Rent for a 2-bedroom rental unit in Polk County: } 100\% \times \$669 = \$669$
- $\text{Income: } 30\% \times \$650 = \$195$
- $\text{Proportionate Share: } \$669 \div 2 = \$334.50$
- $\text{Subsidy estimate: } \$334.50 - \$195 = \139.50
- $\text{actual rent} \div \text{bedrooms} = \text{proportionate rent} - 30\% \text{ of monthly income} = \text{rent subsidy amount}$

Example 2

- Actual rent: \$750
- **100% of Fair Market Rent for a 3-bedroom rental unit in Plymouth County: $100\% \times \$671 = \671.00**
- Income: 30% of \$725 = \$217.50
- Proportionate Share: $\$671 \div 3 = \223.66
- Dependents: $\$223.66 \times 2 = \447.33
- Subsidy Estimate: $\$447.33 - \$217.50 = \$229.83$
- $(100\% \times \text{FMR}) \div \# \text{ of bedrooms} = \text{proportionate rent}$
 $\times (\text{applicant} + \text{dependent}) = \text{adjusted rent}$
 $- 30\% \text{ of monthly income} = \text{rent subsidy amount}$

Waiting List

- Order established by date of complete application (Form 470-3302, income verification, rent subsidy application verification)
- Ties:
 - First: Day of birth (January 23)
 - Second: Month of birth (January = 1)
- When name comes up, eligibility is redetermined

Reporting of Changes

- **Required** to report to IFA within 10 working days any changes that may affect eligibility
- Redetermination of eligibility is made
- Use Form 470-3302; mark “Change of Information”

Reportable Changes

- Recipient's name,
- Recipient's address,
- Rent amount,
- Recipient's representative payee and his/her address,
- Income,
- Number of dependent relatives living with recipient,
- Ineligible for Medicaid waiver, or
- Obtained eligibility for any other local, state or federal rent subsidy

Termination of subsidy

- Person does not meet eligibility criteria
- Person dies
- Completion of required documentation is not received (including change of information)
- No further funding available

Insufficient Funding

- If funds are not sufficient to cover payments for all persons on the subsidy, persons shall be terminated from the subsidy in inverse order to the date they began receiving payment
- Person moves back to waiting list (original application date determines position on list)

Fraudulent Practices

- Don't do it.
- “Knowingly makes or causes to be made a false statement or representation or knowingly fails to report a change in circumstances affecting the person's eligibility for financial assistance”
- Participant is ineligible for participation from that time forward

Form 470-3302

- Updated October 2004
- Available at www.ifahome.com
- Submit to IFA by 15th of month

Questions?

- Laura Abbott at 515/725-4875
- Toll free 800-432-7230
- Fax: 515/725-4901